

Final Terms dated 18 March 2019

MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the "SFA"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and "Excluded Investment Products" (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

MUNICIPALITY FINANCE PLC (Kuntarahoitus Oyj)

Issue of USD 1,000,000,000 2.500 per cent. Guaranteed Notes due 15 November 2023

Guaranteed by
THE MUNICIPAL GUARANTEE BOARD (Kuntien takauskeskus)

under the €30,000,000,000
Programme for the Issuance of Debt Instruments

PART A – CONTRACTUAL TERMS

This document constitutes the final terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Offering Circular dated 11 May 2018 and the supplemental offering circulars dated 14 September 2018 and 4 December 2018 (the "Offering Circular"). These Final Terms contain the final terms of the Notes and must be read in conjunction with such Offering Circular. These Final Terms are available for viewing at www.rns-pdf.londonstockexchange.com.

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| 1. | (i) | Issuer: | Municipality Finance Plc (Kuntarahoitus Oyj) |
| | (ii) | Guarantor: | The Municipal Guarantee Board (Kuntien takauskeskus) |
| 2. | (i) | Series Number: | 40/2019 |
| | (ii) | Tranche Number: | 1 |

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| 3. | Specified Currency or Currencies: | United States dollars ("USD") |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | USD 1,000,000,000 |
| | (ii) Tranche: | USD 1,000,000,000 |
| 5. | (i) Issue Price: | 99.471 per cent. of the Aggregate Nominal Amount |
| 6. | (i) Specified Denominations: | USD 200,000 and multiples of USD 1,000 thereafter |
| | (ii) Calculation Amount: | USD 1,000 |
| 7. | (i) Issue Date: | 20 March 2019 |
| | (ii) Interest Commencement Date: | Issue Date |
| 8. | Maturity Date: | 15 November 2023 |
| 9. | Interest Basis: | 2.500 per cent. Fixed Rate
(further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par at maturity |
| 11. | Change of Interest or Redemption/Payment Basis: | Not Applicable |
| 12. | Put/Call Options: | Not Applicable |
| 13. | (i) Status of the Notes: | Senior |
| | (ii) Status of the Guarantee: | Senior |
| | (iii) Date Board approval for issuance of Notes and Guarantee obtained: | Not Applicable |
| 14. | Method of distribution: | Syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 15. | Fixed Rate Note Provisions | Applicable |
| | (i) Rate of Interest: | 2.500 per cent. per annum payable semi-annually in arrear |
| | (ii) Interest Payment Date(s): | 15 May and 15 November in each year, commencing 15 May 2019 (the " First Interest Payment Date "); adjusted for payment |

purposes only in accordance with the Following Business Day Convention, with London as additional Business Centre for the purposes of the definition of "Business Day"

(iii)	Fixed Coupon Amount:	USD 12.50 per Calculation Amount, payable on each Interest Payment Date other than the First Interest Payment Date
(iv)	Broken Amount(s):	Short first coupon: USD 3.82 per Calculation Amount, payable on the First Interest Payment Date
(v)	Day Count Fraction:	30/360
(vi)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16.	Floating Rate Note Provisions	Not Applicable
17.	Zero Coupon Note Provisions	Not Applicable
18.	Index-Linked Interest Note Provisions	Not Applicable
19.	Dual Currency Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

20.	Call Option	Not Applicable
21.	Put Option	Not Applicable
22.	Final Redemption Amount of each Note	USD 1,000 per Calculation Amount
23.	Early Redemption Amount	
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	USD 1,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 24. | Form of Notes: | Registered Notes: |
| | | Regulation S Global Note registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg |
| | | Restricted Global Note registered in the name of a nominee for DTC |
| 25. | New Global Note: | No |
| 26. | Business Centre(s) or other special provisions relating to Payment Dates: | London, in addition to New York and TARGET |
| 27. | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | No |
| 28. | Details relating to Partly Paid Notes: | Not Applicable |
| 29. | Details relating to Instalment Notes: | Not Applicable |
| 30. | Other terms or special conditions: | Not Applicable |

DISTRIBUTION

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| 31. | (i) If syndicated, names and address of Managers and underwriting commitments: | <p><i>Joint Lead Managers:</i></p> <p>Bank of Montreal London Branch
 95 Queen Victoria Street
 London EC4 4HG
 United Kingdom
 USD 242,000,000</p> <p>Merrill Lynch International
 2 King Edward Street
 London EC1 1HQ
 United Kingdom
 USD 242,000,000</p> <p>Nomura International plc
 1 Angel Lane
 London EC4R 3AB
 United Kingdom
 USD 242,000,000</p> <p>Scotiabank Europe plc
 201 Bishopsgate, 6th Floor</p> |
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London EC2M 3NS
United Kingdom
USD 242,000,000

Co-Lead Managers:

BNP Paribas
10 Harewood Avenue
London NW1 6AA
United Kingdom
USD 8,000,000

Mizuho International plc
Mizuho House
30 Old Bailey
London EC4M 7AU
United Kingdom
USD 8,000,000

SMBC Nikko Capital Markets Limited
One New Change
London EC4M 9AF
United Kingdom
USD 8,000,000

Tokai Tokyo Securities Europe Limited
4th Floor, Salisbury House
London Wall
London EC2M 5QQ
USD 8,000,000

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| (ii) | Date of Subscription Agreement: | 18 March 2019 |
| (iii) | Stabilising Manager(s) (if any): | Merrill Lynch International |
| 32. | If non-syndicated, name and address of Dealer: | Not Applicable |
| 33. | TEFRA: | Not Applicable |
| 34. | Additional selling restrictions: | Regulation S and Rule 144A/3(c)(7) |

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue and admission to trading on the Regulated Market of the London Stock Exchange plc of the Notes described herein pursuant to the €30,000,000,000 Programme for the Issuance of Debt Instruments of Municipality Finance Plc (Kuntarahoitus Oyj) guaranteed by The Municipal Guarantee Board (Kuntien takauskeskus).

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

SIGNED on behalf of the Issuer:

By:
MARTIN SVEDHOLM
Manager, Funding

By:
HANNU-PEKKA YLIMOMMO
Legal Counsel

SIGNED on behalf of the Guarantor:

By:
JOHANNA HIETALAHTI
Senior Analyst

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing: London
- (ii) Admission to trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the London Stock Exchange with effect from the Issue Date

2. RATINGS

Ratings: The Notes to be issued are expected to be rated:

Moody's Investors Service Limited: Aa1
(stable)

S&P Global Ratings Europe Limited: AA+
(stable)

Moody's Investors Service Limited and S&P Global Ratings Europe Limited are both established in the EEA and registered under Regulation (EU) No 1060/2009, as amended

3. OPERATIONAL INFORMATION

Intended to be held in a manner which would allow Eurosystem eligibility: Not Applicable

Regulation S ISIN: XS1964628991

Regulation S Common Code: 196462899

Rule 144A ISIN: US62630CAR25

Rule 144A Common Code: 196468986

CUSIP: 62630CAR2

Any clearing system(s) other than Euroclear, Clearstream, and DTC and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

